



# Investor Presentation

May 2020

# Safe Harbor Statement

These materials contain forward-looking statements. You should not place undue reliance on these statements because they are subject to numerous uncertainties and factors relating to the Company's operations and business environment, all of which are difficult to predict and many of which are beyond the Company's control. Forward-looking statements include information concerning the Company's possible or assumed future results of operations, including descriptions of its business strategy. These statements may include words such as "may," "will," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. These statements are based on assumptions that we have made in light of management's experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. You should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions. Although the Company believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect the Company's actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. These factors are discussed in more detail in the Company's filings with the Securities and Exchange Commission. These risks could cause actual results to differ materially from those implied by forward-looking statements. You should keep in mind that any forward-looking statement made herein, or elsewhere, speaks only as of the date on which it is made. New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they may affect the Company. The Company has no obligation to update any forward-looking statements after the date hereof, except as required by federal securities laws.

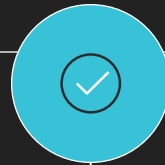
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# 1. Who We Are

# About EPAM

We are consultants, designers, architects and engineers who enable our customers to be competitive and disruptive in the marketplace through innovative technology solutions while helping them to navigate successfully through multiple waves of technology change.



We help our customers be more competitive by delivering solutions through best-in-class engineering combined with strategy, design, consulting and innovation services.

We adopt a global growth strategy, thinking and acting like start-ups, working in multidisciplinary teams and delivering results. Relentlessly.

# EPAM Fast Facts

FOUNDED IN  
1993

U.S. HEADQUARTERED  
PUBLIC COMPANY  
(NYSE:EPAM)

Q1 2020 REVENUE  
\$651M

FY 2019 REVENUE  
\$2.3B

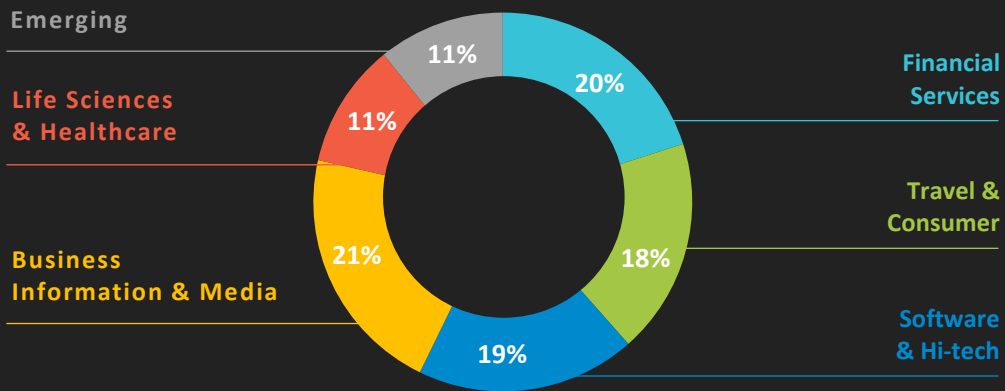
REVENUE GROWTH  
10 Year Revenue  
CAGR of 31%

37,300+ EPAMers

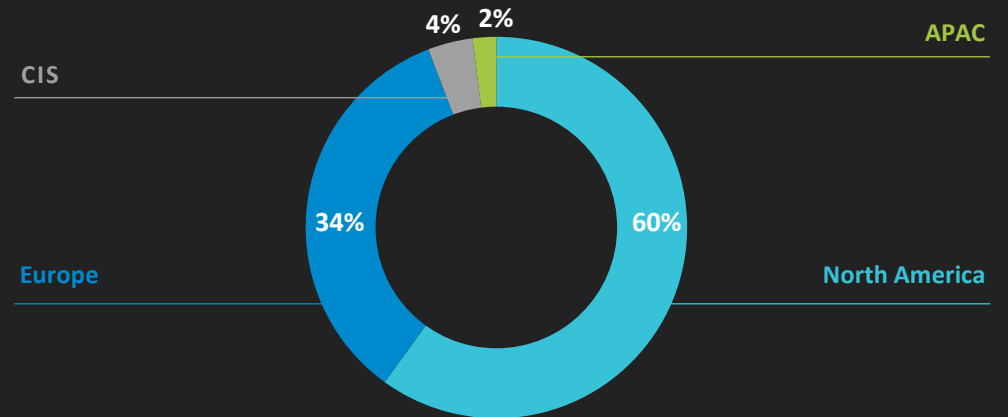
33,100+ Engineers, Designers & Consultants

30+ Countries

REVENUE BY INDUSTRY VERTICAL



REVENUE BY GEOGRAPHY



# Growing, Global Presence in More Than 30 Countries

## NORTH AMERICA

Canada  
Mexico  
United States

## EUROPE

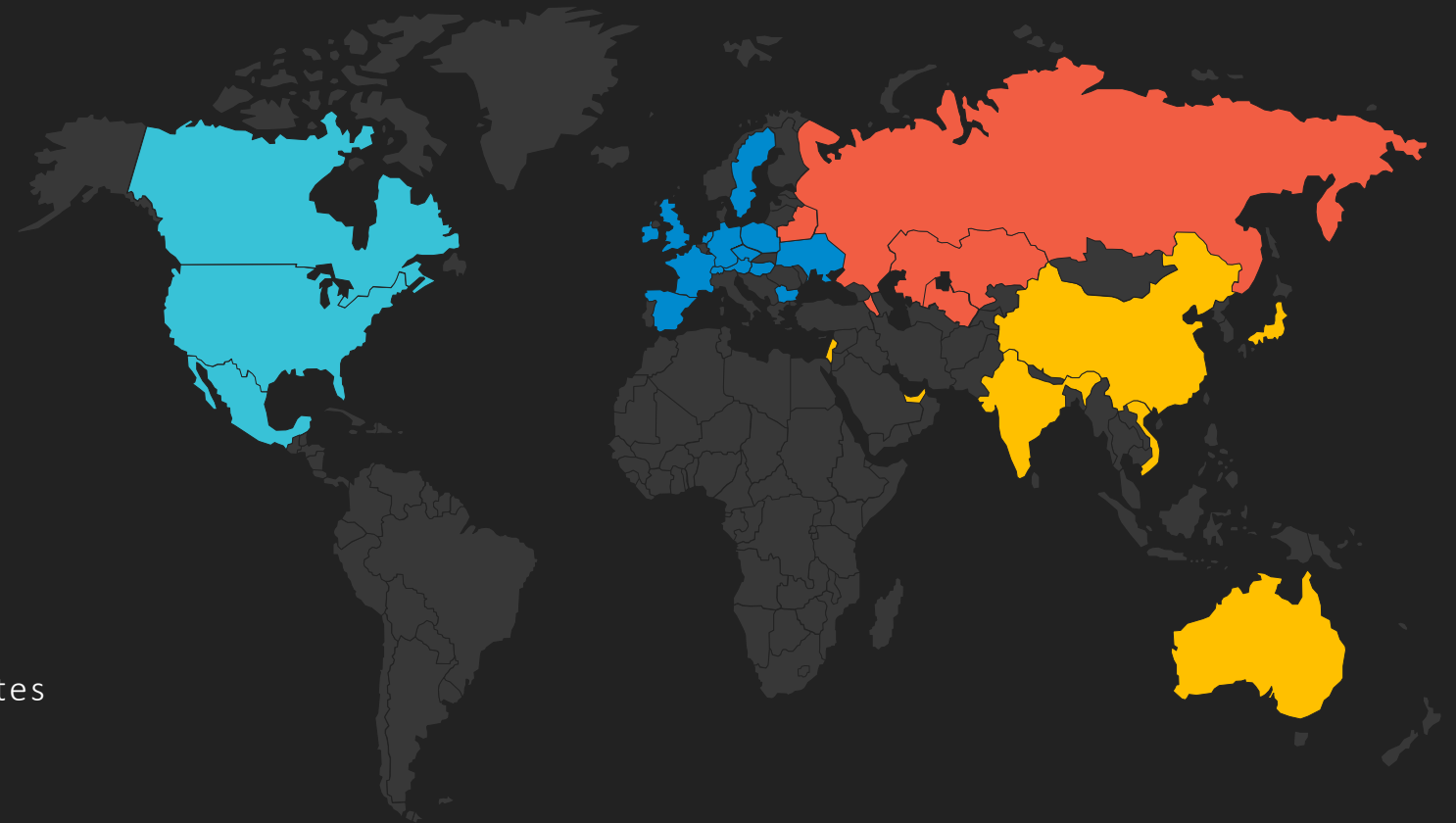
Austria  
Bulgaria  
Czech Republic  
France  
Germany  
Hungary  
Ireland  
Netherlands  
Poland  
Spain  
Sweden  
Switzerland  
Ukraine  
United Kingdom

## CIS

Armenia  
Belarus  
Kazakhstan  
Russia  
Uzbekistan

## APAC

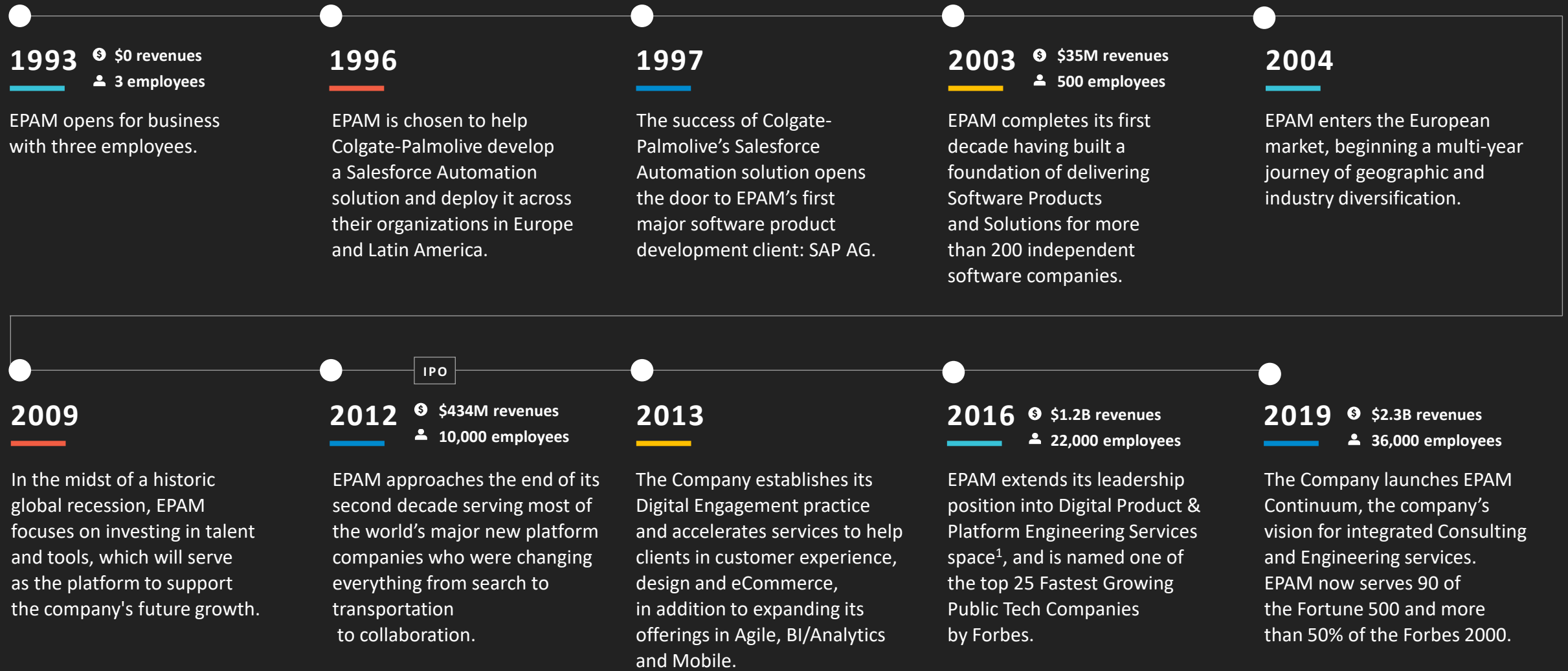
Australia  
China  
Hong Kong SAR  
India  
Israel  
Japan  
Singapore  
United Arab Emirates  
Vietnam



# 2. The EPAM Story



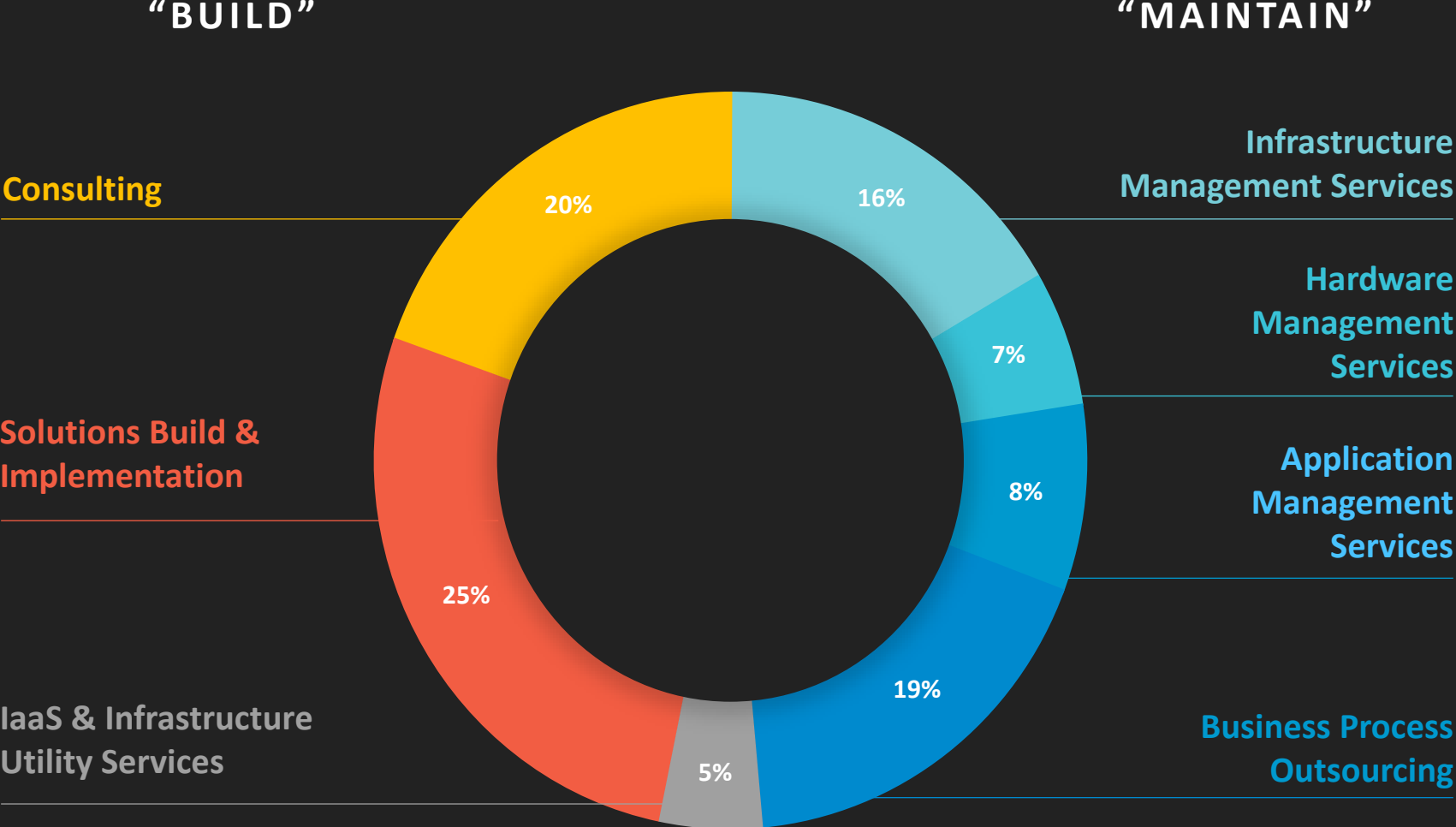
# The EPAM Advantage - More Than 25 Years of Software & Digital Platform Expertise



Footnote References on Page 23

# 3. Our Positioning

# Enterprise IT Services is a \$1 Trillion Total Addressable Market<sup>1</sup>

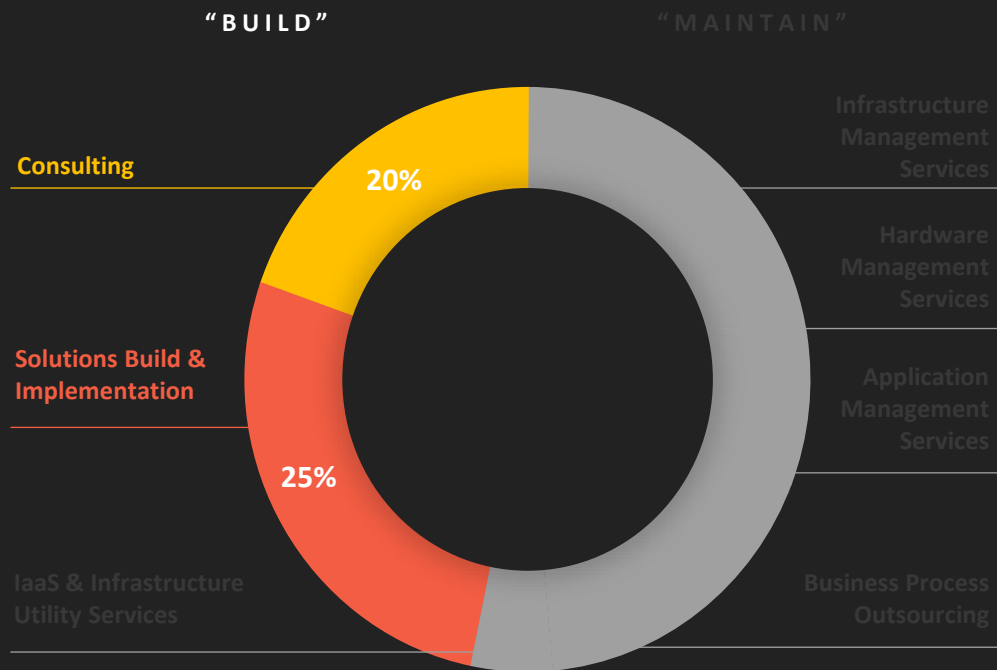


Footnote References on Page 23

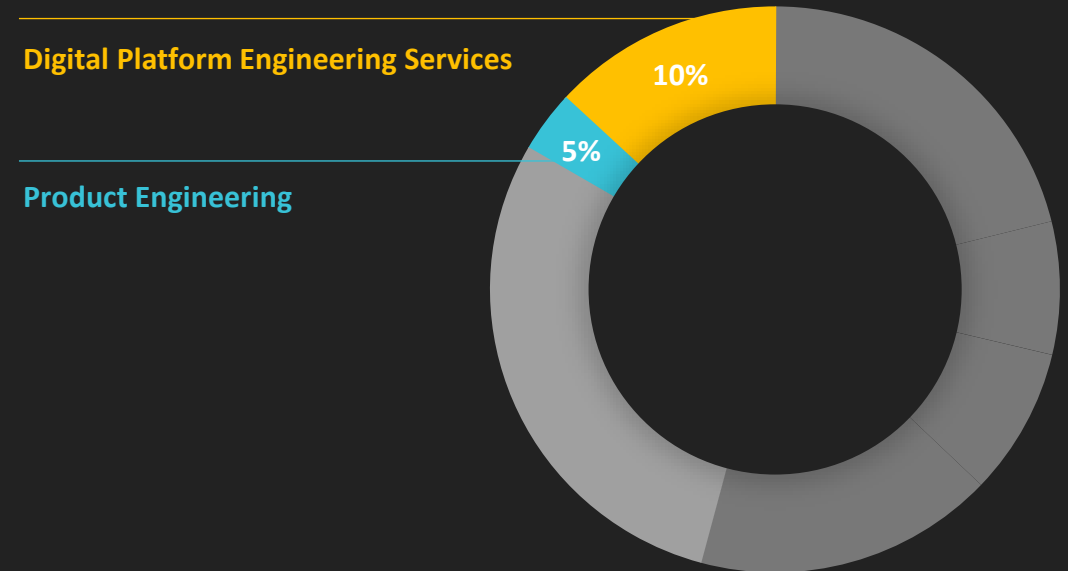
# Digital Platform & Product Engineering – A Subset of the Construct & Consulting Market

EPAM is Positioned in the Most Dynamic Subset of the Construct & Consulting Services Market

## Construct & Consulting Services \$460B Market<sup>1</sup>



## Digital Platform + Product Engineering \$150B Market<sup>2</sup>



Footnote References on Page 23

# 4. Market Trends

# The Enterprise Landscape is Increasingly More Competitive, Complex and In Need of Change

## MARKET



New competitors running on nimble technologies



The customer centric experience



Pushing digital capabilities through products and services

## TECHNOLOGY



Mobile devices



IoT platforms



Location-detection technologies



Advanced human-machine interfaces



Authentication & fraud detection



3D printing



Smart sensors



Big data analytics & advanced algorithms



Multilevel customer interaction & customer profiling



Augmented reality & wearables



Cloud computing

## ENTERPRISE



Adaptiveness



Agile IT



Application modernization



Talent transformation

# 5. How We Do It

## HOW WE DO IT

We enable our clients' business transformation by engaging multi-disciplinary teams who combine deep business expertise with design thinking, world-class engineering, modern operations practices and leading tools and frameworks for optimizing performance. We are Digital Orchestrators and we deliver agile transformation at scale.



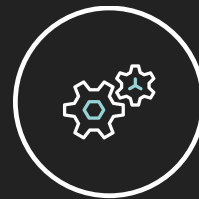
### CONSULT

Decades of business expertise blended with modern innovation services to define business strategies and new products that are future proof



### DESIGN

Design-thinking to solve the toughest challenges across digital and service strategy, user experience and connected product lifecycle



### ENGINEER

Engineering DNA applied to architect, build and scale omnichannel software platforms and agile engineering teams



### OPERATE

Commercial software product practices deployed to deliver next generation integrated and smart run services



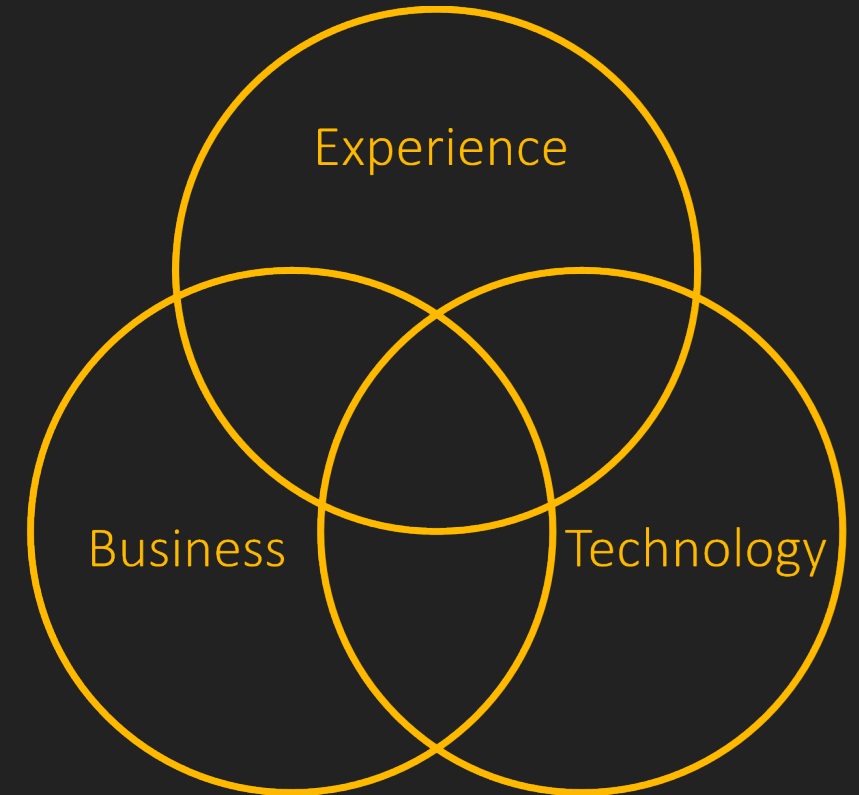
### OPTIMIZE

Process optimization turned into platforms for innovation through data-driven decisions and a product-centric approach



## EPAM CONTINUUM

Integrated business, experience and technology consulting accelerating breakthrough ideas into meaningful impact

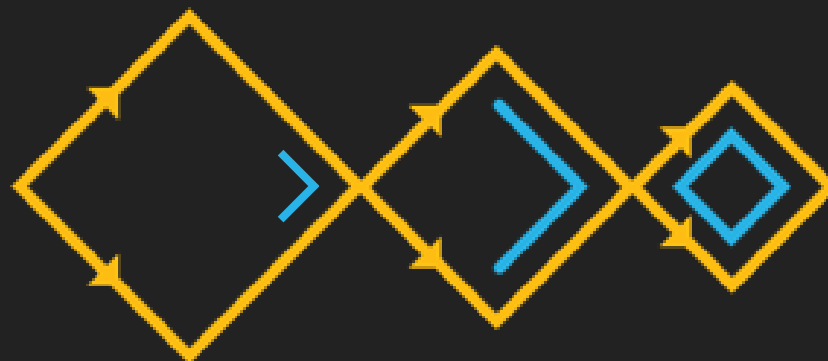


# Organized for Speed & Agility

## EPAM Continuum

### ESTABLISH THE RIGHT DIRECTION

Multidisciplinary teams looking at problems through specialty lenses, coming together to accurately frame the right problems to solve



Opportunity  
Identification

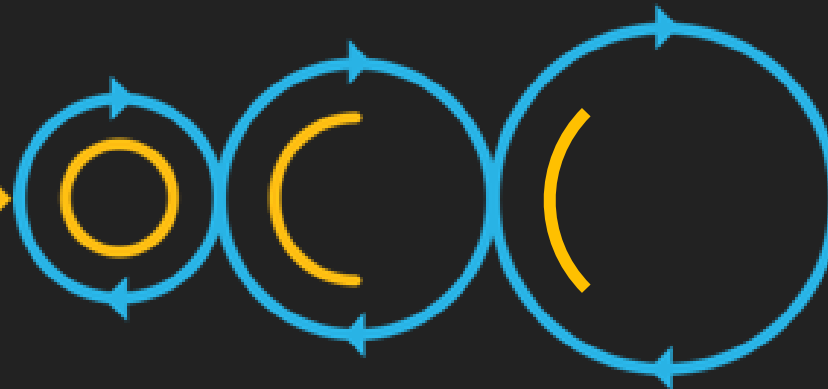
Solution  
Definition

Prototype  
Testing

## EPAM

### DELIVER AT SPEED AND SCALE

Agile and iterative development ensures ongoing improvements and enhancements along a multi-phase roadmap



MVP

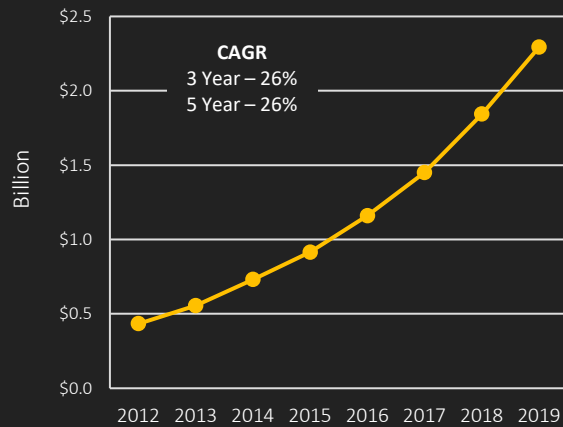
BETA

Scale &  
Operate

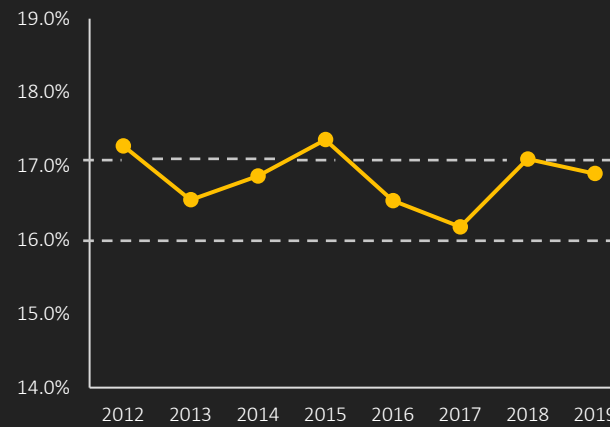
# 6. Financial & Investment Highlights

# A History of Strong & Consistent Financial Performance

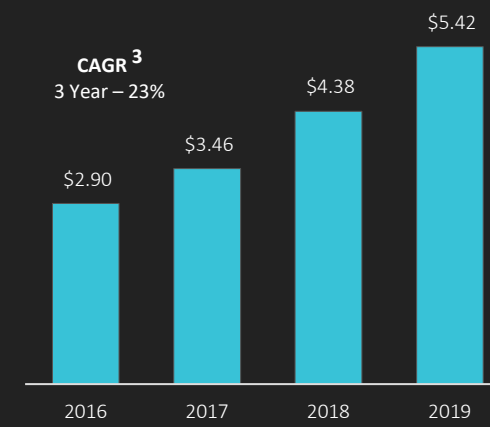
Strong Revenue Growth



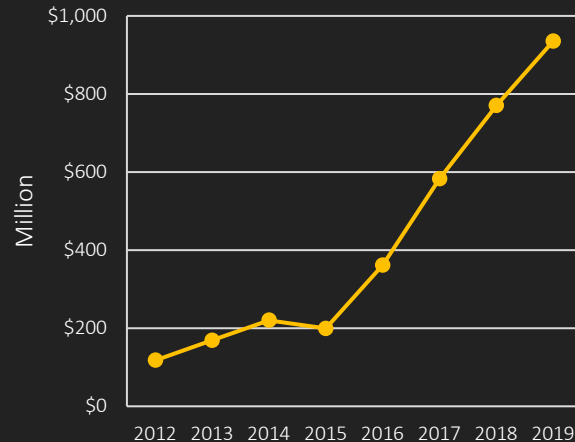
Stable Non-GAAP Operating Margins<sup>1</sup>



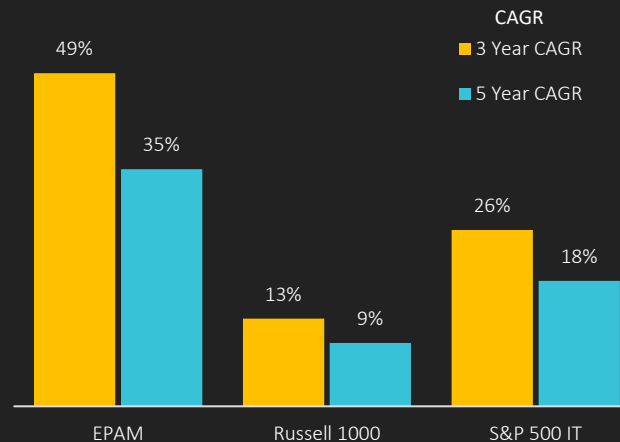
Strong Non-GAAP EPS Growth<sup>2</sup>



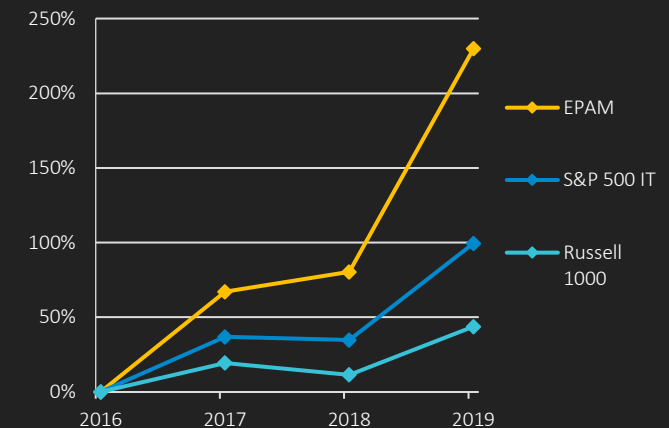
Cash Balance



Total Shareholder Return<sup>4</sup>



Cumulative Total Return



# Investment Highlights

1

## MARKET POSITIONING

Well positioned in a large \$100B+ market

Diversified client portfolio across 12 key industries

Serving clients from 30+ countries across North America, Europe and Asia

Loyal client base with an average of 10 years among the top 10 clients<sup>1</sup>

2

## STRONG REVENUE GROWTH & VISIBILITY

37 consecutive quarters of 20%+ organic revenue growth<sup>2</sup>

80-90% revenue visibility throughout the fiscal year

90% recurring revenue from clients greater than one year

Approximately 90% of revenue is time & material

3

## STRONG PROFITABILITY

Stable Non-GAAP Operating Margins between 16-17% supporting superior earnings growth<sup>3</sup>

Proven ability to grow and sustain strong profitability  
3 Year Non-GAAP EPS CAGR of 23%<sup>4</sup>

Consistent levels of profitability allowing for continuous investment to support topline growth

4

## STRONG CASH FLOW & BALANCE SHEET

\$351M of cash flow from operations for the last 12 months<sup>2</sup>

\$916M cash balance with nominal debt<sup>2</sup>

\$275M of credit line available in U.S.<sup>2</sup>

Footnote References on Page 23

Thank  
You

# Foot Notes

## Page 9

<sup>1</sup> Forrester Wave™: Digital Platform Engineering Services, Q2 2016

## Page 11

<sup>1</sup> Gartner Forecast Analysis: IT Spending, Worldwide September 2019

## Page 12

<sup>1</sup> Gartner Forecast Analysis: IT Spending, Worldwide September 2019

<sup>2</sup> Company's Estimates

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<sup>1</sup> Non-GAAP Operating Margins (Adjusted Income from Operations) are adjusted to exclude stock-based compensation expenses, acquisition related costs & amortization of purchased intangible assets

<sup>2</sup> Non-GAAP EPS excludes stock-based compensation expenses, acquisition related costs, amortization of purchased intangible assets, impact of foreign exchange, tax effect on non-GAAP adjustments and excess tax benefits related to stock-based compensation

<sup>3</sup> In 2016, EPAM revised its non-GAAP policy to consider, among other things, the tax effects on the pre-tax non-GAAP adjustments. This revised policy has been consistently applied since 2016. Amounts reported prior to 2016 were excluded from the historical presentation as these amounts were prepared under a previous methodology and are not comparable.

<sup>4</sup>Total Shareholder Return CAGRs are based on market and stock performance through CY 2019

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<sup>1</sup> As of FY19

<sup>2</sup> As of Q1 FY20

<sup>3</sup> Non-GAAP Operating Margins (Income from Operations) are adjusted to exclude stock-based compensation expenses, acquisition related costs & amortization of purchased intangible assets

<sup>4</sup> Non-GAAP EPS excludes stock-based compensation expenses, acquisition related costs, amortization of purchased intangible assets, impact of foreign exchange, tax effect on non-GAAP adjustments and excess tax benefits related to stock-based compensation